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FISCAL IMPACT REPORT

ORIGINAL DATE 02/12/07

SPONSOR Picraux LAST UPDATED _____ HB 731

SHORT TITLE UNM Hepatitis C Program SB _____

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 218

Relates to HB 174 that would appropriate \$1.6 million to DOH for ECHO for provision of chronic disease treatment services.

Relates to DOH base budget for annual contractual allocation to the ECHO Hepatitis C program of \$1.6 million, and an additional \$300.0 thousand in the LFC budget recommendation.

Relates to appropriation of \$150.0 thousand in Senate Bill 526 from 2006 legislative session.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 731 appropriates \$2 million from the general fund to the board of regents of University of New Mexico for the Hepatitis C ECHO program.

According to HED, funding would expand the existing program and provide for centers of excellence in rural/remote areas of the state, purchase equipment, cover uninsured patient treatment and provide for cost of training/educational services and travel costs of UNM HSC expert specialists.

As well, funding would be used to expand the model to treat seven additional health conditions affecting 30 percent of the New Mexico population: diabetes, hypertension, smoking cessation, lipid management, obesity, diet and nutrition and exercise; support federal certification to dispense a new drug (buprenorphine) to address substance abuse; build model programs of rheumatology experts and mental health disorder experts.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 08 shall revert to the general fund.

SIGNIFICANT ISSUES

HED discusses that this program provides a mechanism for appropriate treatments locally, and for community health providers to attend weekly clinics where they are linked via telehealth communication technology. At these training clinics, the local health professionals review patient cases with each other and designed UNM HSC expert specialists. The clinics have proven successful in establishing consistent, best practices and promoting individual and group learning.

DOH notes “approximately 24,000 to 28,000 persons may be infected with hepatitis C in the state (Hepatitis C Surveillance Report 2006, DOH). Specialist care for chronic diseases, such as hepatitis C, is frequently unavailable in the rural communities of the state. Persons infected with hepatitis C may not pursue care until the disease has progressed and adverse medical consequences have occurred ultimately resulting in a higher cost of care.

PERFORMANCE IMPLICATIONS

DOH notes the importance of monitoring performance outcomes.

DOH discusses its Strategic Plan Program Area 2, Task 3: Decrease the transmission of infectious disease cases and expand services for persons with infectious diseases. There are two performance measures related to Project ECHO: 1) Number of Hepatitis C clients enrolled in a disease management service through project ECHO; and 2) Number of Hepatitis C clients receiving pharmaceutical treatment through project ECHO. These performance measures are also included in the Governor’s Performance and Accountability Contract, “A Healthy New Mexico”, Goal 2: Improve Health Outcomes and Family Support for New Mexicans, Task 2.3 Decrease the transmission of infectious disease cases and expand services for persons with infectious disease.

OTHER SUBSTANTIVE ISSUES

DOH notes Hepatitis C disproportionately affects injection drug users due to the high risk behavior and rapid transmission associated with the sharing of injection equipment. A New Mexico study among active injection drug users, showed 82% of the study respondents testing positive for hepatitis C. In addition, epidemiological evidence strongly suggests hepatitis C infection disproportionately impacts persons with a history of incarceration (Risk Factors for Hepatitis B, Hepatitis C, and HIV Among Injection Drug Users in New Mexico, 1995-1997).

POSSIBLE QUESTIONS

1. What are the specific uses of current funding?
2. What are the specific proposed uses of expansion funding?

AW/csd